

~~CONFIDENTIAL~~

30 August 1962

MEMORANDUM FOR: Chief, Audit Staff

SUBJECT : Report of Audit of Accounts Branch
As of 31 December 1961

1. The subject report has been reviewed and our comments with respect to the recommendations stated are set forth below, keyed to the sub-paragraphs of the report:

PARAGRAPH 2.a.

The responsibilities of the Accounts Branch components are in process of being reviewed, and functional statements and internal operating procedures will be prepared.

PARAGRAPH 2.b.

A study is being made by the Finance Division for purposes of defining responsibilities for servicing and policing of all general ledger accounts. When completed, a copy of the Finance Division Operating Procedure, showing distribution of responsibilities, will be made available to your Office.

PARAGRAPH 2.c.

Under current regulations, Authorizing Officials have the basic responsibility for monitoring advance accounts within their prescribed areas of jurisdiction. This responsibility consists of insuring that accountings and refunds are submitted within the prescribed due dates and, when circumstances warrant, initiating action to extend due dates. However, when an account becomes over 60 days delinquent, indicating that the Authorizing Official has not successfully fulfilled his responsibility, the Finance Division issues a formal statement of delinquency in accordance with the provisions of paragraph 3.f. (3) of [REDACTED]. Arrangements are being made with Automatic Data Processing Division to render up-to-date "Statements of Account" for advance accounts on a daily basis each time an entry is recorded in an account which should eliminate considerable research and reduce the number of "book delinquencies". Evaluation of the results of this change may alter our follow-up procedure; however, we do not foresee any reason to discontinue our settlement techniques in connection with delinquent accounts. In an attempt to assist in the establishment of follow-up procedures within the area components this office will initiate action for the promulgation of appropriate instructions or regulatory directives.

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PARAGRAPH 2.d.

a. The Status of Advances quarterly report is based on a monthly machine listing produced as of the date of the report period, and modified to the extent of accountings received but unprocessed by the Finance Division as of the date of the report.

b. Effective with the Status of Advances report of 31 May 1962, the report format was revised to reflect only the delinquent portion of an account in the delinquent column of the report.

PARAGRAPH 2.e.

Detailed listings are prepared for those general ledger accounts for which such listings are deemed necessary in the effective policing and control of Confidential Funds accounting activity. However, in order to assure that the need for current accounting requirements are provided for by periodic publication of subsidiary listings, consideration is being given to a proposal whereby a semi-annual review will be required of all general ledger account subsidiary listings.

PARAGRAPH 2.f.

a. Corrective action has been initiated with respect to the approval and certification of accountings for advances to other government agencies.



PARAGRAPH 15

Arrangements are in process for the deletion of General Ledger Accounts 511, 512, 522, and 532.

2. We feel that the foregoing comments are responsive to the recommendations made in this report, and wish to thank the members of the Audit Staff for the manner in which the audit was conducted.

Distribution:

Orig. & 1 - Add. 200007/30 : CIA-RDP78-05747A000100040045-6

1 - Controller

1 - SSA/DDS

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